

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Post Office Structure Plan

Docket No. N2012-2

PRESIDING OFFICER'S INFORMATION REQUEST NO. 2

(Issued June 14, 2012)

The Postal Service is requested to respond to the following questions to clarify the record on its request for an advisory opinion under 39 U.S.C. 3661(c) regarding the Post Office Structure Plan (POSTPlan).¹ To facilitate inclusion of the requested material in the evidentiary record, the Postal Service shall have a witness attest to the accuracy of the answers and be prepared to explain, to the extent necessary, the basis for the answers at the hearing. Responses shall be provided as soon as they are available, but no later than June 21, 2012.

The following questions refer to witness Day's testimony (USPS-T-1):

1. Witness Day indicates on page 12 of his testimony that Customer Service Variance (CSV) and Small Office Variance (SOV) results will be multiplied by 1.1 to account for "minor variations" in calculating earned workload using CSV and SOV and to enable a Remotely Managed Post Office (RMPO) to adjust its window service hours upward if its number of retail transactions increases. Please provide the rationale for selecting 1.1 as the appropriate multiplier.
2. On page 13 of his testimony, witness Day states that RMPOs report to and are managed by a postmaster located at an Administrative Post Office. Please

¹ United States Postal Service Request for an Advisory Opinion on Changes in the Nature of Postal Services, May 25, 2012 (Request).

explain how this arrangement is similar to or different from the “circuit rider” postmaster concept discussed in Docket No. N2011-1, the Retail Access Optimization Initiative. A circuit rider postmaster, as described in that opinion, is “a postmaster who would oversee several offices within a reasonable driving distance and allow contract clerks to conduct the day-to-day operations of the postal facility.”²

3. On pages 13-14 of his testimony, witness Day indicates that Part-Time Post Offices (PTPOs) and Level 6 RMPOs will be staffed by career employees, while Level 4 and Level 2 RMPOs will be staffed by non-career employees.
 - a. Please provide the productive hourly wage rate for career employees who will staff Level 6 RMPOs and PTPOs.
 - b. Please provide the productive hourly wage rate for noncareer employees who will staff Level 2 and 4 RMPOs.
4. Witness Day indicates that customers may obtain postal services from (1) post offices, (2) stations, (3) branches, (4) contract postal units, (5) Village Post Offices, (6) stamp consignees, (7) usps.com, and (8) Automated Postal Centers. USPS-T-1 at 3.
 - a. Please identify the services that are currently available (e.g., stamps, flat rate boxes, post office boxes, etc.) at post offices at each EAS Level.
 - b. Please identify the services that are currently available at stations, branches, contract postal units, Village Post Offices, stamp consignees, usps.com, and Automated Postal Centers.

² Docket No. N2011-1, Advisory Opinion on Retail Access Optimization Initiative, December 23, 2011, at 114.

- c. Please identify the services that will be available at PTPOs and at each RMPO level after the POSTPlan is implemented.
5. Witness Day states: “In the future, the proportion of overall postal retail revenue generated at Postal Service-operated retail units will continue to diminish as customers continue to increase their use of alternate access channels available where they reside, work and shop.” USPS-T-1 at 4. To the extent that witness Day relies on studies or other documentation in making this statement, please provide those documents.
6. Witness Day states that “the term POSTPlan Offices includes all 17,728 EAS Level 16 or below Post Offices that were operational as of the close of FY 2011.” USPS-T-1 at 1.
 - a. Please provide the rationale for using EAS Level 16 and below as the criterion for selecting candidate post offices under the POSTPlan.
 - b. If the Postal Service performed any financial analysis (e.g., net revenue estimates) before selecting the EAS Level 16 and below criterion, please provide the results of all such analysis.
7. Witness Day states, “Saturday hours will not change as a result of the POSTPlan.” USPS-T-1 at 16. Assume that a post office with 4 Saturday retail window hours is converted to a Level 2 RMPO. Will that RMPO continue to have 4 Saturday retail window hours after POSTPlan is implemented?
8. In his testimony, Witness Day states that POSTPlan will result in approximately 6,145 clusters, each managed by a single APO. USPS-T-1 at 13, 14 n.11. Please provide the finance numbers identifying each of the 6,145 Administrative Post Offices.

The following questions refer to Postal Service library references:

9. The spreadsheet “Summary.xls,” included as Library Reference No. 1 (USPS-LR-N2012-2/1) separates Annual Earned Workload into three categories: Annual Earned Retail Window Workload, Annual Earned Retail Window and Admin Workload, and Annual Earned Workload Less Retail Window and Admin. See Columns V, X, and Y.
 - a. Please confirm that column Y, “Annual Earned Workload Less Retail Window and Admin,” measures the mail distribution and Post Office Box deliveries at POStPlan post offices.
 - b. Does the Postal Service expect the implementation of the POStPlan to decrease the number of hours related to mail distribution and Post Office Box deliveries? Please explain fully.
10. The following questions relate to permit imprint and metered mail volumes and revenues.
 - a. Are volumes and/or revenues from permit imprint and metered mail included in the calculation of Adjusted Earned Workload? Please explain.
 - b. Please provide permit imprint and metered mail revenues for each facility shown in Library Reference No. 1 (USPS-LR-N2012-2/1).
 - c. Are permit imprint and metered mail revenues included in the “Total Walk-in Revenue” figures provided in Column C of Library reference No. 3 (USPS-LR-N2012-2/3)?

General Questions:

11. From time-to-time, the Postal Service has changed the number of window hours at Postal Service retail facilities. Has the Postal Service measured the effect of

such changes—whether the hours are increased or decreased—in terms of revenue, costs, community impact, and other effects? Please provide a description of all such analyses, and an explanation of how these measurements were developed.

12. Assume that the Postal Service implements the POSTPlan and converts candidate post offices into RMPOs and PTPOs.
 - a. If the Postal Service subsequently initiates a discontinuance process and decides to close an RMPO, please confirm that the Postal Service will provide notice of appeal rights to the Commission in the Final Determination.
 - b. If the Postal Service subsequently initiates a discontinuance process and decides to close a PTPO, please confirm that the Postal Service will provide notice of appeal rights to the Commission in the Final Determination.
13. In response to DBP/USPS-3[b], the Postal Service states that “Postal Service decisions regarding the 25-mile distance utilized the Microsoft MapPoint program.”³
 - a. Please confirm that Microsoft MapPoint calculates distance as driving distance rather than straight line distance.
 - b. If confirmed, please indicate what version of Microsoft MapPoint the Postal Service is using and what additional tools (e.g., add-ons, additional software, or programming languages) the Postal Service used to calculate driving distance in Microsoft MapPoint.

³ United States Postal Service Response to David B. Popkin Interrogatories (DPB/USPS-1-5), June 6, 2012.

- c. If not confirmed, please explain in detail what program/software was used to calculate the 25-mile driving distance from the post office impacted by POSTPlan to the nearest post office. See USPS-T-1 at 13-14.
- 14. If the Postal Service determines to implement the POSTPlan, will its rules for establishing hours and maintaining RMPOs, PTPOs, and Administrative Post Offices be codified in regulations or Handbook PO-101?

Nanci E. Langley
Presiding Officer